



**International exploratory research workshop**

**6-7 May 2024, Odense, Denmark:**

**Sustainable Finance: between hard law, soft law and corporate governance**

A call for finance to be more ‘sustainable’ is on the rise in many countries and regions. This development occurs in response to rising societal concerns and calls for coordinated efforts among investors, companies and policy makers to reduce and mitigate climate change and enhance responsible value chains. Efforts to direct institutional and other investors towards investing in companies that act responsibly in regard to environmental, social and governance (ESG) factors and/or deploy their leverage to raise ESG awareness and responsible conduct with invested companies has resulted in a series of initiatives in recent years deploying hard law (binding requirements), soft law (guidance) and emphasis on the role of corporate governance. Not only does the call for sustainable finance bring about new initiatives it may also alter our understanding of established legal concepts.

The various types of regulation relating to sustainable finance are increasingly intertwined, leading to demands for analysis and awareness of the inter-linkages and substantive contents of several forms of regulation as well as their economic implications. The European Union’s Taxonomy Regulation, a binding EU law which aims at scale up investments in projects and activities in order to reach the objectives of the European Green Deal, is an example: the Regulation not only establishes a series of six climate and environmental objectives, but also establishes ‘minimum safeguards’ based on international soft law on responsible business conduct for human rights, labour, etc. Economic activities only qualify as ‘environmentally sustainable’ according to the Regulation if they are carried out in alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs), including the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO), the fundamental conventions of the ILO and the International Bill of Human Rights. This underscores the interconnectedness of hard and (international) soft law and need for studies that cut across the various legal instruments and practices applying to sub-areas of sustainable finance and responsible business conduct. The interconnectedness also affects corporate governance in multiple ways. This was underscored by an intense debate which took place 2021-2022 in the context of the EU’s Corporate Governance reform and draft Corporate Sustainable Due Diligence Directive on whether corporate boards should be required by law to include sustainability expertise.

The issues, knowledge gaps and regulatory developments and challenges are by no means limited to Europe. Moreover, the legal and regulatory issues also involve aspects of relevance to economists and political scientists in regard to the understanding and application of legal concepts and forms of regulation.

This exploratory workshop will cover various aspects and perspectives on these topics, and explore options for and interests onward collaboration to advance the emergent research on sustainable finance in a context of hard law, soft law, corporate governance, and related issues.

**Venue:**

Room O96 (conference wing; close to the entry from the tram stop)  
University of Southern Denmark, Odense Campus,  
Campusvej 55, Odense



**Format:**

*Presentations* should be around 20 minutes, followed by Q&A and discussion (15-20 minutes). Presentations may be on work in progress. Presenters are asked to outline, at the beginning of their presentation, 2-4 key issues on which they are particularly keen to receive feedback from the audience.

**Programme:**

**Monday 6 May** (moderator: Karin Buhmann)

Zoom link for online participants: <https://syddanskuni.zoom.us/j/65149500707>

Arrival: 12-12:50: Light lunch will be served (sandwiches, salad or similar).

12:50-13:10: Welcome (Bugge Thorbjørn Daniel, Acting Head of Department, Associate Professor of International Law, Department of Law; and Professor Karin Buhmann, CLS&J Director; University of Southern Denmark).

13:10-13:45: Round of introductions (participants briefly introduce their name, affiliation, academic discipline(s), research expertise and interests and their relationship to sustainable finance).

13:45-14:25: Alexandre Ruggieri Kosbiau (Universidade de São Paulo): *The Green Bonds Complex. Analysis of the incentives of its agents and of the complexity of the Green Bonds Complex.*

14:25-15:05: Liliana Lizarazo Rodriguez [online], João Teixeira de Freitas, L. Cieszkowsky (all from the ERC Curiae Virides project, Brussels School of Governance, Vrije Universiteit Brussels): *Responsible corporate conduct in the framework of value chains: a global review of the micro role of shareholders and investors and the macro role of investment/development banks.*

15:05-15:45: Stephen Park (University of Connecticut School of Business): *Untangling the Extraterritoriality of ESG Regulation* [online].

15:45-16:00 break (coffee, tea).

16:00-17:30: Discussion: Differences and similarities in conceptions of responsibility and due diligence in capital market law and sustainability-related areas of law and governance (human rights, climate, environmental law). Initial presentation to kick off the discussion: Niels Skovmand Rasmussen (Dept of Law, University of Southern Denmark).

17:30-18:00: Discussion on potential onward collaboration, with a particular emphasis on publication options and channels, including potential book opportunities (to be continued on Day 2).

18:00-18:15: Winding up the day: key insights on sustainable finance from legal and wider governance perspectives.

19:00: Workshop dinner (hosted by the CSL&J) at restaurant Nordatlanten, Nordatlantisk Promenade 1, Odense

**Tuesday 7 May** (moderator: Jingjing Wu)

Zoom link for online participants: <https://syddanskuni.zoom.us/j/63565595208>

A light breakfast (rolls, tea/coffee) will be available from 8:30.

9-9:20: Reflections following the first day

9:20-10: Nina Dietz Legind and Niels Skovmand Rasmussen (Dept of Law, University of Southern Denmark): *The integration of ESG-risk factors in EU bank governance: How to navigate the complex landscape of remuneration?*

10-10:40: Elif Durmus (University of Antwerp): *Can Businesses Create Human Rights Duties for Themselves?* (online)

10:40-11:00 break (coffee, tea).



11:00-11:40: Karin Buhmann (CLS&J): *Institutional investors and a fair and just green transition: Implications of the OECD Guidelines and EU CSDDD for responsible transition minerals value and investment chains*

11:40-12:10: Further discussion on potential onward collaboration opportunities (e.g., co-authoring, research proposals, networking, ...)

12:10-12:15: Wrapping up

12:15-13:15 Lunch and departure